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FOR IMMEDIATE RELEASE

City of Kankakee Decreases Property Taxes for the Second Year in a Row

Kankakee, IL – City Council voted 14-0 for the levy and assessment of property taxes in the City of Kankakee. For the second year in a row, the City is lowering the tax levy request.

"The tax levy for the City of Kankakee that was passed Monday night is validation of the continued commitment of the Mayor and City Council to lower property taxes. Even with increases to the police and fire pensions, property taxes for the City of Kankakee will decrease five percent on the 2020 property tax bill. Also, the City's equalized assessed valuation (EAV) has increased approximately \$10.96 million from last year. These factors are a big win for home owners, business owners and everyone in Kankakee," said Comptroller Elizabeth Kubal.

There are four main components that impacted the levy:

1. The funding need for pensions at the 90% statutory minimum contribution level per the Actuarial Funding Reports for the Police and Fire Pensions increased \$469,654 between both pensions.
2. The two percent home rule sales tax instituted in 2018 is bringing in less revenue than expected. The City of Kankakee will need to lower revenue estimates from the two percent home rule sales tax and add an additional \$420,000 to ensure the pension funding needs are met.
3. The general obligation bond expense for the levy decreased by approximately 20% from the year before.
4. This year the City of Kankakee has experienced the largest increase in Equalized Assessed Valuation (EAV) since levy year 2007. The EAV for the City increased from \$210,044,894 to \$221,011,281 as of November 2019. The majority of the

\$10.96 million-dollar increase is from the EAV residential portion totaling \$10.2 million.

When these four components combine together, the City is requesting \$7,364 less than 2018. As a result, the estimated property tax rate for the City will go from 6.054 to 5.75 percent. For instance, a property owner who has a home with a market value of \$100,000 would see a decrease of about \$85 - \$100 on their tax bill.

“This is great news for the City of Kankakee and I am extremely pleased with the work of the administration and city council. We will continue to prioritize the fiscal needs of all of our residents including our pension obligations,” said Mayor Wells-Armstrong.

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The City of Kankakee is dedicated to protecting, building and nurturing the community while enhancing lives. We are a historic, vibrant, and active riverfront community. We continue to transform into an extraordinary place to dream, grow, and thrive. Embracing our diversity, we strive to be progressive, inclusive, and innovative. For more information on the City of Kankakee, please visit the website at www.citykankakee-il.gov.